Ontario and at Kaladar, Ontario, the three latter being in our district.

Lately, we have heard a lot in this chamber regarding railway abandonment, Mr. Chairman. Most of these abandonments have been in western Canada where in places whole lines have been totally abandoned. I contend that no railway company continuing to operate through an area should be permitted to abandon stations by means of such applications. These lines are not being abandoned. In fact, they are among the most productive, in my opinion, of the C.P.R. lines in our part of Canada. Therefore, according to the charters granted this railway company, they should be made to continue to serve the people in the areas served by these railway stations. I ask the Minister of Transport to support me in my argument and to see that this railway company is not allowed to abandon these services to the people of these communities at these stations I have enumerated.

Some time ago I pointed out to the Department of Public Works the value of a program of construction of new wharves on navigable waters along the shores of Prince Edward and Lennox counties. We have had fair response in this regard from the government. These public works have been of benefit to our tourist industry and also to our commercial fishing industry. The dredging of harbours and the construction of wharves must continue. It is a good thing for the local community and is helping to build Canada.

The village of Bath, occupying a picturesque setting at the eastern end of the Bay of Quinte, needs a wharf. The village corporation now owns a very suitable site on the shoreline for the building of this wharf. At another point, more inland on the Bay of Quinte, the village of Northport in the township of Sophiasburg, which is in Prince Edward country, also is in need of a public wharf. Many United States tourists are accommodated in the summer at this beautiful country village on the south shore of the Mohawk Reach. But many more who come by cruiser could be accommodated if we had a public wharf there.

I understand that the responsibility for these services, if they are situated along navigable waters, is that of the Department of Transport. However, I direct my request regarding these services to both the Minister of Public Works and the Minister of Transport.

In regard to manufactured milk processing, I think it appropriate to make a general comment in connection with the state of the industry. This does not concern the fluid milk producers because their market takes care of itself; any increase to the producer for fluid milk is usually passed on as an increase in the bottled price to the consumer.

I do not believe they are facing any particular problem. The trouble at the present time is all concentrated on the manufacturing field. The big problem before us at the moment, originated from the repricing resulting from the subsidy by the stabilization board here in Ottawa. The present minister established a price of $3.25 per hundredweight at the farm, paid by the factory or processor, and he stated that there was no reason why they could not pay that. He was completely wrong, because he did not know the economics of the milk business. I believe he listened too much to the assistant deputy minister in establishing those figures.

Along with that there was the withdrawal of the previous subsidy, which worked out to 38.1 cents per hundredweight. This information was withheld from the public and they do not know to this day that that was withdrawn and the burden placed directly on the manufacturer. Most of the manufacturers cannot stand it.

The additional subsidies that come to the producer as a result of the Ontario and Quebec federal wrangle over milk prices are an extra 25 cents being paid by Ontario, 35 cents being paid by Quebec through the winter months until the end of next March, and an additional 8 cents paid by the federal government, as well as 75 cents with the recent increase of 2 cents per pound of butter, to bring the price to $4.33 to the producer at the farm. Still the manufacturer's cost stands at $3.25.

The returns from manufactured milk will not justify that price in most cases, especially among the small independent Canadian operators. They are the ones who suffer most. Anyone engaged in the industry will tell you that they normally calculated a 90 cent spread between gross selling price and the cost to the producer, which was a rule of thumb processing cost. This 90 cents took care of the interest on the investment, the capital investment, depreciation, the complete operation, labour, wages, packaging, delivery, etc. They believed this a fair margin. Now the average spread is down to 60 cents or less. Most of these small independents cannot exist on this basis.

I have several of these independent companies in my riding, and they all bear out what I am relating to you here today. I have an audited statement of one company in my